

Majesty's Ministers to persevere in the obnoxious measure of laying Open the Trade to India, to the Out-ports of this Kingdom :---“ It is for the Court of Proprietors to decide, whether their own interests, as well as those of the numerous persons depending upon them, both at home and abroad, can best be preserved by their rejection of, or acquiescence in, those conditions, upon which *alone*, consistent with their public duty, his Majesty's Government can submit a proposition to Parliament, for the renewal of the Charter.”*

In their reply, dated the 30th December, the Chairmen of the Court of Directors repeat in the following terms their determination, already so frequently declared, to maintain the rights of their Constituents: “ But prepared as we shall be, if *forced* into this situation, to maintain the rights and claims of our Constituents, we must yet express our hope, that the Company will not be reduced to the hard alternative, of thus having to contend for all that is dear to them, or to accept a charter, on terms which will not enable them to execute the

* *Vide Papers respecting a negotiation for a removal of the East India Company's exclusive privileges, p. 172.*

part hitherto assigned to them in the Indian system." * To this intimation, Lord Buckinghamshire, in a letter, certainly the most extraordinary that has appeared in the course of this negotiation, and which will not probably escape becoming the subject of numerous animadversions, replies, that " it will be for Parliament to determine, whether the nation is, in this respect (the existence of the present Indian system,) without an alternative; or whether, if a change of system should be rendered necessary *by the decision of the East India Company*, measures might not be taken for opening the trade, and at the same time providing such an administration of the Government of India as might be found *compatible with the interests and security of the British Constitution.*" † His Lordship has not thought fit

* *Vide Papers respecting the negotiation for a renewal of the East India Company's exclusive privileges, p. 179.*

† *Vide Lord Buckinghamshire's Letter, dated January 4, 1813. Ibid. p. 183.*—In the paragraph preceding the last, he says, " If the Government of India cannot be carried on with safety to the Constitution, except through the intervention of the Company, the propositions of the Court of Directors, whatever they may be, must unconditionally be admitted." This is very far from being, even generally, a correct inference. No propo-

to explain by what measures this compatibility might be effected, any more than he has the grounds on which Ministers have chosen to persist in their determination of opening the Trade to India to the Out-ports. The pompous proposition, on which they seem to lean with so much confidence and complacency, that "the Merchants of this country have a substantial claim to as much liberty of trade as they can enjoy, *without injury to other important national interests,*" can here have no meaning; since the *quantum* of that liberty, which may be extended to them on this ground, is precisely the question at issue. It has been demonstratively shewn by the Court of Directors, and certainly they are in this case a much more competent authority than any of their opponents, not even excepting his Majesty's Ministers, that the Merchants of this country already enjoy as much of that liberty, as is compatible with the other important national interests concerned. And do these Ministers apprehend that

sition of the Directors, that is not founded in strict justice, liberal policy, and constitutional principles, need be admitted by the legislature. On the present occasion, if they have erred, it has been in conceding too much to a Ministry, who seemed determined to continue rising unreasonably in their demands.

justice to the East India Company, the preservation of the rights and privileges belonging to them, or the inviolability of their property, do not form a part, and a very essential part of those "important national interests?" If they do entertain such sentiments, it is high time that they should be undeceived.

It has been rendered evident to the meanest capacity that an extension of the liberty of trade to India, such as is now contended for, is not only incompatible with the best interests of the British Empire; but that it would prove the immediate ruin of those individuals, who are most vociferous in its favour. Consequently, could it for a moment be believed that the gratification of those petitioners was the real motive, which induced His Majesty's ministers to persist in the measure of laying open the trade to India from the out-ports, they would resemble the indiscreet nurse, who, in order to appease a froward child, should put into its hands some sharp, or pointed instrument, of which the first use it should make might be to wound itself. But this, I think, would be underrating their abilities. To have expected that the East India Company should be so insensible to their rights, or possess so

little firmness, as, without an equivalent, and without a struggle, to surrender what they consider the key to all their privileges, would be to argue a greater want of penetration in His Majesty's ministers, than can perhaps be fairly imputed to them. It seems much more probable that they had anticipated, and were desirous of producing, the result, which has actually happened, with the view of creating a pretext for transferring to themselves the whole power and patronage of India, and by these means of retaining their ministerial situations for life!

This transfer, to the crown, of the power and patronage, incident to the government of sixty millions of the inhabitants of Asia, which could not fail to enable its servants more commodiously to rule sixteen millions of British-born subjects at home, appears to be the grand measure, by which the ministers of the Prince Regent* propose to effect a

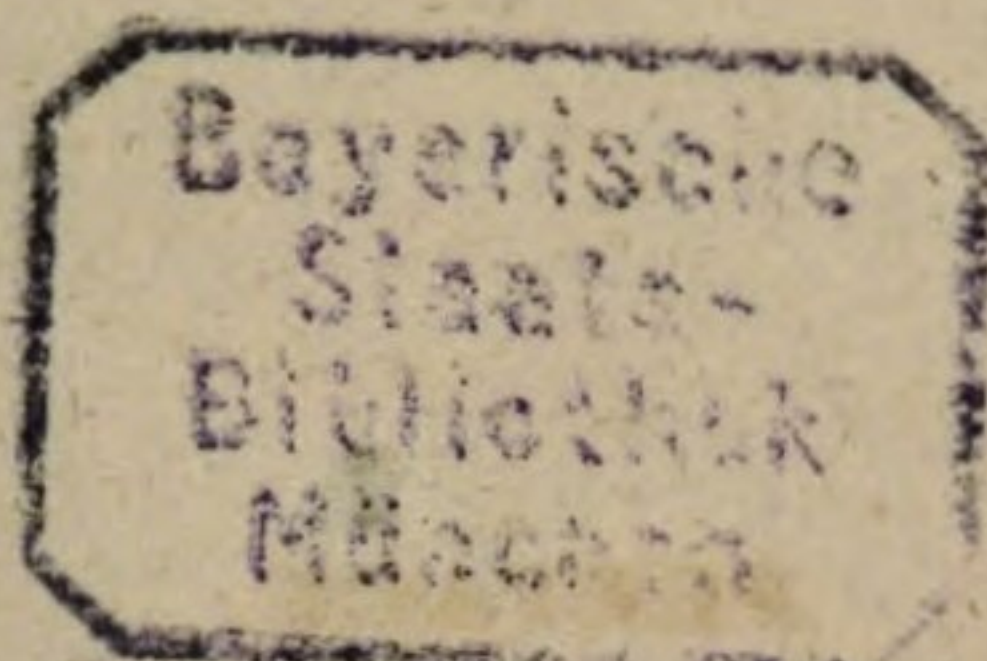
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change in the East Indian system, "rendered necessary," they say, "by the decision of the East India Company," that shall be "compatible with the *interests* and *security* of the *British Constitution*!"

But parliament, it cannot be doubted, when this great question comes before them, will take an enlarged and unbiassed view of all the grand national interests involved in the controversy. They will not, to gratify the blind or criminal ambition of any set of ministers, suffer the East India Company to be despoiled of their property, the Crown of its revenue, the people of a necessary of life, and the nation of its freedom.

62, Hatton Garden,

January, 1813.



CONSEQUENCES
OF
LAYING OPEN THE TRADE
TO
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FROM the establishment of the East India Company, as territorial sovereigns in Asia, it has been the usual practice, previous to the introduction of a Bill into Parliament, for the further extension of the term of their exclusive privileges, that the conditions upon which their Charter was to be renewed, and the principles upon which the Indian empire was to be governed, should be made the subject of arrangement between the Ministers of the Crown, on the part of the Public, and the Court of Directors, on the part of the East India Company. And these arrangements have generally undergone but few, or unimportant modifications, in receiving the sanction of the Legislature.

By the great extension of territory, and increase of trade, which have been progressively effected, under the judicious management of the Company,

these negotiations have, at each successive renewal, acquired additional importance. Since the Bill of 1793, the population, the territory, and the commerce, under their jurisdiction, have been more than doubled: and the civil and military establishments of their vast dominions, as well as the ties between them and the mother country, have been augmented in the same ratio. When to these is added the immense trade carried on by the Company with the empire of China, they form altogether the grandest and most stupendous, and it may truly be said, the most singular, political, and commercial edifice the world ever saw. In its now splendid state, it is not only the brightest jewel in the British Crown, but the fairest portion of the British empire. How, then, are we to characterize a measure, which must obviously destroy the unity of the approved system, by which our Asiatic possessions and commerce have, in that period, risen to such prosperity and splendour? By impartial men, and men of experience, it will be viewed as an unjustifiable experiment on the integrity and safety of the British empire;—an experiment made too at a season of peculiar political peril; and risked (if the avowed be the real motive), in mere compliment to unfounded clamours, which do not even arise from the effervescence of popular discontent, but have been excited, with much art and industry, by the unenlightened selfishness of some commercial and manufacturing bodies.

Under these circumstances, it may be considered most fortunate, for the nation, for the East India Company, and more especially for those who were most active in petitioning Parliament for an unrestrained intercourse with India, that the renewal of the Company's Charter did not come under discussion last year; but that a measure so highly important to the best interests of the State has been delayed, until the delusive expectations, which had been excited, and the erroneous conclusions which had been formed, should have time to subside, or be rectified by a perusal of the very able official correspondence, which has taken place between the Court of Directors and his Majesty's Ministers on the subject.

At the various periods of the renewal of the term of the Company's exclusive privileges, and before the system of East Indian government had attained its present almost perfect form, many speculative notions were afloat, respecting the sort of constitution which would best suit our Indian territories, consistently with the spirit and preservation of our own. Various plans were of course projected. Some were for depriving the Company of the territories, and leaving them in exclusive possession of the trade; others for depriving them of the trade, and leaving them in possession of the territories. It does not, however, appear, that, since the establishment of the present Indian system (by the Bills of 1784 and 1793), either of those ideas have been entertained

by any of our most celebrated practical statesmen. Of late years especially, the territorial government of India, and the trade between India and Europe have been regarded as, under that system, inseparably united; constituting a fabric of unprecedented grandeur, extent, and solidity, which it would be rash, presumptuous, and dangerous, in the idle view of speculative or uncertain advantages, to disturb. Even Mr. Fox, although on former occasions an avowed enemy of the East India Company, declared himself, in the House of Commons, to be of this opinion, when last in office.

It could not, therefore, but have been with surprise, astonishment, and regret, that the East India Company learnt, in the month of April last, that his Majesty's present Ministers had then recently adopted views upon this subject, very different not only from any which had been entertained by their predecessors, but even from any which they had themselves, in the course of their discussions with the Company, respecting the renewal of the Charter, hitherto avowed.

It is the more essential that these new propositions of the Ministers should be examined, in every possible point of view, before the decision of the Legislature upon them is called for, since by that decision, it is very evident, will be ultimately determined the fate not only of the East India Company, and their private rivals, but of India and of Britain.

The pending question between his Majesty's

Ministers and the East India Company, it appears to me, may be thus succinctly stated. The President of the Board of Controul, speaking in the name of all the Ministers, informs the Court of Directors, that the government of the territorial dominions, and the monopoly of the China trade, shall remain with the Company, as at present; but that they must renounce their exclusive right to the trade between India and Europe. Against this project, the Court of Directors remonstrate; and say, “To what purpose leave us the government of our Asiatic territories, and the trade to China, if you, at the same time, deprive us of the bulwark (the exclusive privilege of *employing ships* to India), by which alone they can be effectually supported?” Or, in other words, “if you establish an engine (the privilege to individuals of sending ships of all sorts and sizes, from all the ports of Great Britain to India), by which they must both be eventually destroyed?”

The question, then, which we have here to examine, appears to be strictly this:—Whether the dangers apprehended by the East India Company to the safety of their Asiatic territories and China trade, from the indiscriminate admission of the ships of individuals to the trade of India, be imaginary, fallacious and pretended, or founded in foresight, wisdom, and experience?

Before entering on this enquiry, it may be proper to remark, that all the opponents of the Company

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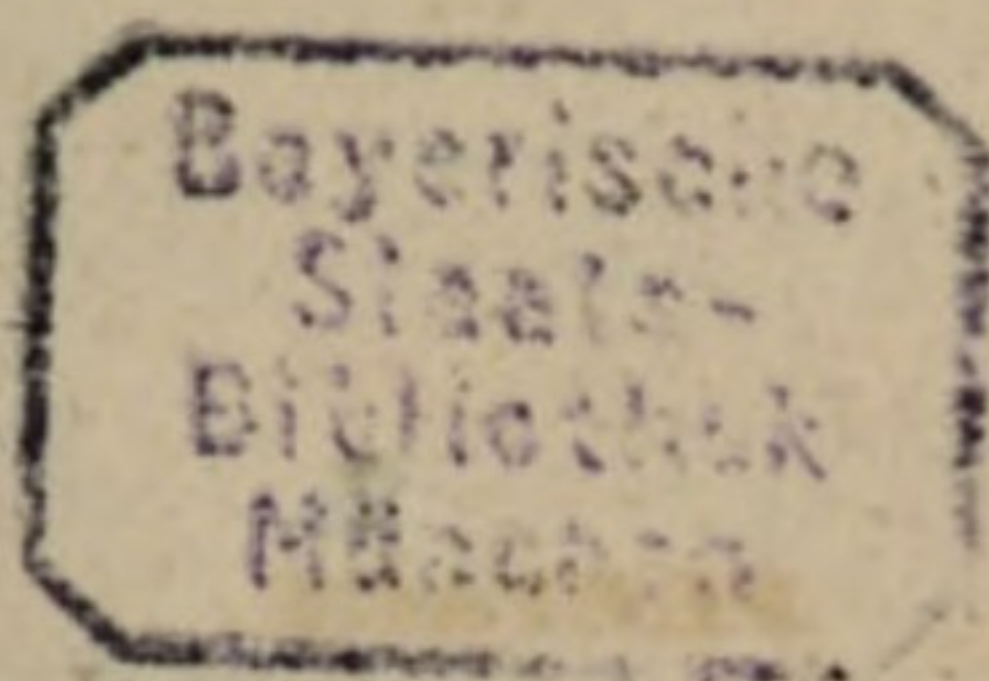
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It is the more essential that these new propositions of the Ministers should be examined, in every possible point of view, before the decision of the Legislature upon them is called for, since by that decision, it is very evident, will be ultimately determined the fate not only of the East India Company, and their private rivals, but of India and of Britain.

The pending question between his Majesty's

Ministers and the East India Company, it appears to me, may be thus succinctly stated. The President of the Board of Controul, speaking in the name of all the Ministers, informs the Court of Directors, that the government of the territorial dominions, and the monopoly of the China trade, shall remain with the Company, as at present; but that they must renounce their exclusive right to the trade between India and Europe. Against this project, the Court of Directors remonstrate; and say, “To what purpose leave us the government of our Asiatic territories, and the trade to China, if you, at the same time, deprive us of the bulwark (the exclusive privilege of *employing ships* to India), by which alone they can be effectually supported?” Or, in other words, “if you establish an engine (the privilege to individuals of sending ships of all sorts and sizes, from all the ports of Great Britain to India), by which they must both be eventually destroyed?”

The question, then, which we have here to examine, appears to be strictly this:—Whether the dangers apprehended by the East India Company to the safety of their Asiatic territories and China trade, from the indiscriminate admission of the ships of individuals to the trade of India, be imaginary, fallacious and pretended, or founded in foresight, wisdom, and experience?

Before entering on this enquiry, it may be proper to remark, that all the opponents of the Company

have either egregiously mistaken, or affected to mistake, the real nature of the question. They have all regarded or affected to regard the trade to India as a monopoly, which, as shall be presently shewn, is very contrary to the true state of the case. Some of them have represented it as a losing trade; and, with sufficient inconsistency, have accused the East India Company of selfishness, in seeking to preserve a losing trade. With a still higher degree of inconsistency, they have manifested the most eager desire to participate in this “*losing trade* ;” as if presuming themselves capable, as individuals, with capital and other advantages so greatly inferior to the Company, of converting it into a *profitable* one. While, indeed, they affect grounds of public utility, they shew, by the whole tenor of their reasoning, that in seeking to invade the privileges of the East India Company, they have no other view than the fallacious one, in this case, of private gain. It was necessary to their object to represent the interests of the public, and of the East India Company, as at variance, and utterly irreconcilable; and their own interests as identified with those of the public. It also happened that, in the comparatively stagnant state of commerce and manufactures last year, the persons most immediately suffering under those evils, like drowning men grasping at straws, were led to hail the era of the termination of the Company’s exclusive privileges, and of the establishment of an Open Trade to India, as that of

the termination of their own misfortunes. In considering an open trade, and an increased consumption of British Commodities in India, as synonymous terms, they all seemed to concur. Ignorant of the character of the inhabitants of Asia, they regarded the regulated trade of the Company, as that which alone prevented this increase of consumption. They branded it with the name of Monopoly; and armed with the authority of Dr. Adam Smith, they declared *all* monopolies to be mischievous, and, with that of Thomas Paine, to be contrary to the imprescriptible rights of man.

The consequences of the admission of these principles would go much farther, than those who have advanced them, to serve particular purposes, could wish. They would go the length of laying open the trade to India to all the world. But we shall limit our reasoning to the boundaries of the British empire. If, upon the principle of universal right, the trade to India be laid open to *some* parts, with what justice can the same privilege be withheld from *other* parts of the British dominions? If it be an inherent right in the Merchants of Bristol, Liverpool, and Glasgow, to trade with India, is it not equally so in the inhabitants of the Orkney and Shetland Islands, of the West Indies and North America?

To argue seriously, or at any length, against these abstract and inapplicable doctrines, must here, I should apprehend, be unnecessary. The East

India Company, however, while they refuse to bow to the authority of such wild and vague hypotheses, have done themselves honour by not narrowing the question, as if it only involved the opposing interests of different bodies of men. The Court of Directors have, on the contrary, throughout their correspondence with Ministers, argued the case as it may be supposed to affect, in every grand view of policy and expediency, the interests of the nation at large; considering their constituents not as an isolated Corporation, but as members of the state, identified, in all their relations, with the great body of the community.

It is a notorious fact that the trade to India, so far from being of the nature of a monopoly, is already as open and unrestrained as is consistent with just and rational views of public utility. The tonnage, which, under the idea of extending the commerce of individuals, has been appropriated to private trade, by the Bill of 1793, is four times greater than has ever been claimed by those for whom it was intended.* Of sixty-three thousand tons allotted for this purpose, during the last six years, only sixteen thousand (about one fourth) were filled up; leaving forty-seven thousand tons to be paid for by the Company, on account of the Public.

Here is no monopoly, or impolitic restrictions on

* Vide Papers respecting the negotiation for a renewal of the East India Company's exclusive Privileges, &c. p. 129.

trade. On the contrary, greater facilities are held out to the private Merchant, and that too at a great inconvenience and enormous expence to the Company, than he chooses to avail himself of. If more tonnage than the law allots, had been required for the accommodation of the private trader, the liberal conduct of the Company in other respects evinces that they would have readily granted it.

They did actually, on several occasions, allow to private traders from India several thousand tons more than was allotted by law. The fact, indeed, is that although a certain quantity of tonnage is specified by the act of 1793, for the accommodation of the individual Merchant, it was for the discretion of the Court of Directors to have allowed more, had it been required.

Did they not with the most commendable liberality, offer the County of Cornwall to export annually to China, twelve hundred tons of tin, *freight free*;* although, were they only to consult their own convenience, they could supply that market with the same article upon better terms from various parts of India? Have they not, upon a similar principle of accommodation, made an annual sacrifice of £.50,000, for the special encouragement of the woollen manufactures of this country?

To call a trade, conducted upon such principles, a monopoly, is equally contrary to reason, and to fact.

* Ibid. p. 89.

But, besides allotting more tonnage annually to individual Merchants, than these have been disposed to occupy, the Company have shared, in another way, the fruits of their commerce with the public. The payments which they have, at various periods, made to the state, from 1768 to 1812, amount to £.5,135,319 ; or at the rate of one hundred thousand pounds, and upwards, annually ;* to say nothing of the immense revenue arising from their well-regulated trade.

“ It is a solecism,” as has been well and truly observed by an eloquent Proprietor of East India Stock,† “ to call that trade a monopoly, which admits the whole country to a partnership in its eventual gains; and which allows any Merchant, or Trader, to export to or import from India, to an extent considerably beyond what has ever been claimed.” That is not a monopoly, of which every person, and every association, by purchasing stock, may become members; whose sales are regulated, the prices being left at the pleasure of the buyers; and their amount annually laid before Parliament. The East India Company, in short, is not a private Corporation, trading exclusively; but the British nation, trading under legislative regulations to India.

* Vide Papers respecting the negotiation, &c. p. 57.

† Mr. Randle Jackson—vide his speech delivered at a General Court of Proprietors, 5th May 1812, p. 13.

It will not be supposed, by any man of sense, that the Company would be disposed to make the great sacrifices, which have been here alluded to, merely to humour the caprices, or to fall in with the false notions of interest of particular descriptions of men, had they not powerful motives, arising from other sources than those of mere commercial profit, for wishing to retain the exclusive privilege of the *navigation* to India: for this alone, if I understand the matter right, is what the Company contend for, as essential not only to the security of their China Trade, but to the permanent safety of their Indian Empire. They will, I am persuaded, have no objection to make the farther sacrifice of allotting to the use of the private Merchants, as much more tonnage, than was granted by the Act of 1793, as there may arise a demand for. But surely, since this can be shewn to be essential to the safety of their dominions, they have a right to expect that all trade to India should continue to be carried on, in ships, under their immediate controul, or exclusively in their service.

The question, then, as it at present stands, between his Majesty's Ministers and the East India Company, does not respect the exclusive privilege of *trade*, but the exclusive privilege of *navigation*; and divides itself into three branches:—

1. The admission of private ships into the trade of India, from the Port of London only.
2. Their admission from the outports.

3. The admission of ships of inferior burthen into the trade.

It was upon the scale, contemplated in the first branch of this proposition, that Lord Melville proposed the alterations in the Indian system of trade should be carried into effect. Even on this comparatively limited scale, as at first intended by his Majesty's Ministers, the measure will appear to be more than sufficiently pregnant with mischief; while the benefits to be expected from it, are, according to the acknowledgment of Lord Melville himself, at least extremely doubtful. But the two ulterior branches, brought forward by the successor of that nobleman, immediately after his retirement from the Board of Controul, are peculiarly well calculated to aggravate and accelerate the evils, which would have been occasioned by the original branch in a smaller and a slower degree.

These evils I propose to consider in the following order; and to shew:—

1. That the establishment of an unlimited intercourse, by Private Ships, with India, would inevitably lead to the colonization of that country; which could not but terminate in its separation from Great Britain.

2. That this intercourse, particularly if carried on from the outports, and in ships of small burthen, would be productive of irregularity, smuggling, depredations, and even piracy, in the Indian Seas: that its immediate effect would be materially to

injure the Company's regular trade to China ; and that it would endanger the permanency, or occasion the entire interruption of the intercourse with that country, to the utter deprivation of an article, become essential at least to the comforts of the inhabitants of this country, if not an absolute necessary of life.

3. That, at home, the public revenue would suffer an immense loss, and the commodities of India an alarming deterioration, in consequence of the smuggling which would unavoidably ensue, and become with private adventurers a principal occupation, throughout the coasts of the Empire : that this loss would be farther enhanced by the additional expence of collecting the revenue at the outports ; and that the public would be disgusted by the legions of Custom House officers, whom it would be necessary to appoint for that purpose.

4. That, in return for so many risks to the safety of both Empires, the public would derive nothing beyond the speculative and delusive prospect of some uncertain and remote benefit ; while the individuals, who, in their eagerness to discover a new resource against the pressure arising from the stagnation of commerce, seem disposed to overlook all obstacles, would find in the participation, so much coveted, of the Indian Trade, nothing but disappointment and ruin ; it being absolutely incapable of that extension, which, from a lamentable ignorance of facts, they suppose private industry could effect.

In offering a detailed elucidation of these propositions, I may begin by remarking that the prevention of colonization has always, hitherto, been a great and leading principle in our Asiatic government; and that, unless some new light has recently broke forth to shew us that this grand measure of precaution has been founded in erroneous policy, it would appear to be the part of wisdom to continue in those paths, which have been so securely and prosperously trodden by our predecessors.

The division of the natives of Asia into numerous casts, and the principle of perpetuity which pervades this distinction, if one may so speak, constitute a source of security to the permanence of our East Indian Government, hitherto unparalleled in the history of the world; and, as there is no great probability that mankind will ever again be edified by a similar phenomenon, it is rather a pity that we should be in any particular hurry to adopt measures, which might prematurely destroy it. Here the maxim, so frequently in the mouths of politicians, of "divide and govern," pervades, in a practical shape, the population; and stands consecrated by the hand of time itself. Nor could there be a state of things better calculated to insure the happiness of a people, when, as in this instance, the views of their governors are invariably directed by a liberal, enlightened, and humane policy.

Here the facts completely coincide with the theory; for there is not in the universe a people

more happy, or less burthened, than those natives of Asia, who are under the dominion of the East India Company.

The division of the people of Asia into numerous casts, and the mutual repulsion of these casts, constitute a state of things, of which the influence upon morals, opinions, and government, appears to have been but seldom duly appreciated. To these circumstances, perhaps more than to all others, may be attributed the safety, amidst foreign wars, and intestine commotions, of the British possessions in India. And, while they exist, they will continue in a great measure to obviate the danger, which would instantaneously arise from the active operation of public opinion, when adverse, in so extensive and populous a country. Did the population of Asia resemble that of Europe or America, or indeed of any other portion of the world, it is obvious that the power of the sword would afford but a precarious security to the duration of British supremacy in the East. As it is, I do not see any possible event that can endanger the stability of this power, in so far as it may depend upon these circumstances, but such a mixture of foreign population (which could only arise from the tolerance of colonization), as would weaken, or obliterate these characteristic features of the native inhabitants.

It is true that this principle of perpetuity, or stagnation, if you will, has been regarded as a misfortune, by some very benevolent persons, who, in their

zeal for improvement, have wished to see the natives of India imitate, even in their dress, the natives of Europe. I remember to have heard an anecdote, to this effect, related of a very worthy *puisne* judge, of the supreme court of judicature in Bengal. As the first judges, who were appointed to India, were proceeding by water to Calcutta, perceiving some barefooted natives travelling along the muddy banks of the Ganges: "Brother Chambers," says Mr. Justice Hyde, "I hope, before you and I return to England, to see those poor fellows dressed in buckskin breeches and boots." Sir Robert Chambers, who, with equal benevolence, was a better judge of human nature, only smiled at the simplicity of his worthy colleague.

As on the permanency of this singular and truly characteristic feature, which distinguishes the population of the East, depends, in no inconsiderable degree, the duration of the British power in Asia, if it were practicable to assimilate in character the inhabitants of that country with those of Europe, I should applaud his philanthropy, rather than his wisdom, who should desire to see such an alteration speedily realized. Yet there does not occur to my mind any measure better calculated to produce that effect, unless a premium were offered to colonists, than that which is now in question. It will not, I apprehend, be denied, that in the progress of colonization, those leading traits of the Asiatic character, which tend so powerfully to secure to us their alle-

giance, would be gradually weakened, defaced, and obliterated. Nor can it be doubted that the danger to the existence of the British power in India would be equally certain, whether it should arise indirectly from a change effected in the character of the natives by colonization, or directly from the increasing number of colonists.

Every one conversant in history, knows that it is the common course of distant colonies, whenever they feel a sense of their own strength, to feel also an independence of the mother country, and to acquire the disposition to embrace the first favourable opportunity of throwing off their allegiance. India cannot be supposed to form an exception to this general rule; and I cannot well comprehend how any man, wishing well to both countries, and understanding their true interests, can venture, in the present political state of the world, to recommend the adoption of a measure, which could by possibility lead to their separation.

How far the measure of admitting private ships to the trade of India be of this description, is what we are now to examine. And I think it will appear manifest to the meanest capacity, that colonization, and the other evil consequences, which have been apprehended from it, would, especially on the extended scale recently suggested, be the inevitable results.

The connection between India and Britain, in their commercial, as well as political relations, is

essentially and in its nature different from any that has ever existed between other countries. Consequently, history does not afford us, in our reasoning, either parallel or analogy. With respect to the trade, or rather the navigation, which alone is at present in question, experience has shewn that regulation is as necessary to its well being, as laws are to the maintenance of social order. But this is altogether incompatible with the indiscriminate admission of private ships, in the manner proposed, to the trade of India. The great distance between the two countries; the immense extent of coast, which encircles the British territories in India: the numerous ports and islands, belonging to so many different nations, by which the course of the navigation is interspersed; would afford so many facilities to the deceptions and depredations of the evil disposed; so many temptations to those whose integrity is unconfirmed; and so many chances of eluding detection to those who may have committed crimes, that I should tremble at the result, both in a view of public morals and of public safety, of the gigantic experiment of freeing a commerce so vast and so singular in its nature, from those salutary restraints, under which it has so long increased and flourished. In the present convulsed state of the world, the rashness of such an experiment could only be equalled by its criminality.

The facility with which Ministers have yielded to the solicitations of those mercantile and manu-

facturing bodies, who have, in their dreams, expected to derive incalculable advantages from the trade to India being laid open to private ships, could alone have been founded on an erroneous belief that it is practicable to make regulations, in India and in Europe, which would obviate the dangers that are justly apprehended from that bold and extraordinary measure. But all men of experience on the subject, know that this expectation is utterly absurd. By what code of regulations, indeed, could adequate restraints be imposed on the conduct of persons trading to India, independent of the Company's control, and navigating ships not in their service? Respecting the Code proposed, which is to effect those wonders, we have hitherto derived no information.

Let us trace the probable progress of this new navigation.—A private, independent ship arrives at a port in India. She there discharges the whole, or such part of her cargo as suits her convenience; reloads; and proceeds (if the Eastern Archipelago be comprehended in the space which they are to be allowed to navigate) to some of the islands adjacent to China, to New South Wales, to the South-West Coast of America, to the Cape of Good Hope, or in short to any part of Asia, Africa, Europe, or America; even to France, or the United States, if at peace with this country: for it must be presumed that in the owners or supercargoes of such ships, not in the Company, or their agents, would remain

the right of directing their ulterior destinations. Let us suppose, what would very frequently happen, that the commanders, or supercargoes, were also the owners of such ships; and that, instead of embarking for any definite voyage, their view was to avail themselves of such favourable opportunities as might occur, of engaging in profitable adventures, without being very scrupulous about the means. Might not adventurers of this description, after having perpetrated the most flagitious acts, even robbery or piracy, against the natives of India, or other acts of a more public nature, affecting politically the interests of the East India Company, find impunity, or even welcome and protection, by taking refuge in France or America? Might not many such adventurers, under the pretence of commerce, act as agents for, and be regularly employed to convey to India the emissaries of the powers at war with this country, or whose policy in peace is adverse to its prosperity? This, as every one is fully aware of, who knows the nature of man, and the state of India, is not to proclaim ideal or imaginary evils; but to anticipate certain and indubitable results. If there are in this country men base enough to aid French prisoners in escaping from captivity, is it uncharitable to believe that there are others, who would convey the emissaries of that nation to our East India colonies; seeing that the chances of detection and punishment are so much diminished by the distance? What securities could the East India Company, or the na-

tion exact of the owners of ships, not in their service, especially those sailing from the out-ports, which might not easily be eluded? Supposing securities were exacted, even to the full amount of the value of the ship, in case of any misconduct during the voyage, what degree of safety would be found in this measure? In case of detection, the real or ostensible owners might evade the impending storm, by taking shelter in a foreign or hostile port; or they might choose to abide the issue, having insured compensation for the forfeiture, from the individuals or the governments, whose projects their vessels were serving.

These are consequences which ought to be sufficient, independent of the risk of colonization, to alarm men of reasonable and sober calculation. But when we reflect, that every one of these private ships might allow the whole of their British crews to quit them in India, to be replaced by Lascars, or foreign European sailors; or that, their discipline being necessarily inferior to that of the Company's ships, their crews might all abandon them; and that no precautions or restrictions, which it is possible to devise, can prevent these results in part; it must be obvious how rapidly the measure of laying open the Trade to India to private ships would accelerate the progress of colonization.

Nor could this progress be either prevented or impeded, as some have erroneously supposed, by any measures of the local governments, which

would not bear a character of despotism inconsistent with the state of society in that part of our dominions. Persons having made a losing voyage by trade (which would be the case with a great many, if private ships were allowed) would be desirous, with the very best intentions, of repairing their losses by a residence in India. Others, having offers of an advantageous settlement, might clandestinely or by connivance quit their ships. Some might be left behind from sickness, and some abandon their situation in disgust. The number of persons who, actuated by one or several of all these various motives, or determined by other circumstances of accident or of choice, would seek to better their condition by remaining in India instead of returning with their ships to Europe, would, it may reasonably be expected, frequently bear a considerable proportion to the whole number of the crew; and having procured themselves an establishment, how could the local governments, while they conducted themselves as quiet, peaceable, and loyal subjects, oblige these persons, without appearing excessively rigorous, or even cruel, to relinquish the establishments which they had obtained, and to return to Europe? We are here supposing the local governments to have the means of ascertaining all persons so circumstanced, a thing evidently impossible, without the introduction of a system of police inconsistent with all ideas of British Government. If it were even practicable, by the

strictest vigilance, to oppose at the commencement some sort of limits to the inundation of emigrants which would thus pour into India, it is evident that these limits could not be long effectual. The present restrictions being removed, the progress of emigration would increase in a geometrical ratio, the inducements to new colonists increasing in that proportion to the number of the old ones.

Of the effects that would result in this respect from laying open the Trade to private ships, some reasonable conjecture may be formed by contemplating the number of Europeans that have settled in India, from the Company's chartered ships, notwithstanding the strict bonds by which these are connected with their employers. In cases of irregularity the Company can withhold from the owners their freight; they can mulct the captains and deprive them of their commands; they can dismiss the officers from their service. But even the great power which the Company thus possess over the owners, captains, and officers of their regular ships has not always been sufficient to prevent their crews from forming a residence in India. How much more feeble then, or rather what a nullity would be their authority over private ships, of which the owners, commanders, and officers would, under the system proposed, be wholly independent of them?

But the emigration to India would by no means be confined to those descriptions of persons, who

might casually quit their ships in order to form a residence in that country. There are many circumstances, and among them the flourishing and secure state of the British dominions, which now more than formerly produce a tendency to the colonization of Asia. Those who went with permission, at former periods, to the East Indies, under the denomination of free-mariners, or who casually remained there and settled as merchants or traders, with licenses from the Company, invariably went abroad with the view, after having realized a competency or a fortune, of returning to spend the evening of their days in their native country. Now, however, that fortunes are not so easily acquired, and that the mode of living among Europeans in India is considerably improved, many persons, who would have gone formerly with the intention of returning, will proceed to that country, assured of the stability of the British power, with a design of making it a permanent residence.

Thus the British Empire itself, should this feeling extend, an effect which the measure in contemplation is admirably calculated to produce, might suffer an alarming depopulation: and it is no less reasonably to be expected that, under the existing pressure of war and despotism in other countries, an immense emigration would take place from almost all parts of the world, which would naturally concentrate in India, as being now the most favoured asylum of peace, security, and plenty.

This result could not fail to be farther accelerated by the progress of events in South America, New South Wales, and other countries, which, from their position, would always, if navigation were unrestrained, have a considerable intercourse with the Company's territories: and the additional intercourse, upon the return of peace, of the nations now in hostility with us, would powerfully contribute toward the same end.

Upon the whole, in reviewing this measure in all its bearings, the conclusion which we are obliged to form is, that if the object intended were to encourage emigration to India, a better or a more appropriate plan could scarcely have been devised for that purpose, than that of granting *unlimited* permission to private ships to trade to that country. And how, I would ask, is the permission to be *limited*? If licenses from the Company should be deemed necessary, how can they, without the grossest inconsistency and injustice, be granted to some merchants and to some ship-owners, but refused to others? If they should *not* be deemed necessary, then every person in the kingdom, who has the ability and the fancy to embark in such an undertaking, may fit out a ship for India, and despatch her at whatever period he pleases.

Thus India would be colonized!

With respect to the effect which that result would produce on the permanency of its connection with Great Britain, no man, I should think, will be

hardy enough to deny that it would prove ultimately fatal; and the only difference of opinion, which could reasonably arise, would be respecting the precise period at which their separation would happen.

The next proposition is, that opening the Trade of India to private ships would be productive of irregularity, smuggling, depredations, and even piracy in the Indian Seas; that it would interfere materially with the Company's regular Trade to China, and even endanger the permanency of, or entirely interrupt, the intercourse with that country.

Under the system of Open Trade proposed, there is not a doubt that, in so vast a range of coast many opportunities would occur, in places to which British laws and British protection have not yet fully extended, of plundering, over-reaching, or otherwise mal-treating the mild and inoffensive inhabitants: and, although the natural love of justice would with many prevail over all temptations, yet there are others who would allow themselves to be seduced into acts of violence, treachery, or deception, which the facility of escaping punishment would render too alluring to be always resisted. However we may be advanced in refinement, I am not aware that, in respect to sound morals, the present times are much superior to what they were a century ago; and we know that, at that period, a regular system of piracy was organized by the in-

terlopers, who frequented the Indian Seas, to the great inconvenience and loss of the East India Company, and the imprisonment by the native powers, of their most valuable servants*. Some of the piratical vessels, which then infested those seas, were even fitted out by British subjects, from New York, and other parts of America, then under our own dominion†. It is true, the present state of India by land, and that of our naval power in the Eastern Seas, would render such projects now much more hazardous. But if, from these circumstances, private adventurers should seldom be daring enough to venture upon absolute piracy, they would still have sufficient temptations and opportunity to commit minor depredations.

The injury which would arise from this source to the Company's China Trade is equally certain, but of much greater importance. It was a judicious precaution of the Court of Directors, with a view to the safety of this trade, to desire that private ships might be prohibited from having access to the Molucca Islands, or Eastern Archipelago. But even this restriction, although undoubtedly some

* *Vide Bruce's Annals of the East India Company, Vol. III. pp. 204 and 210.*

† *Ibid, pp. 223 and 271.*

would, I apprehend, be but a very slender security against the danger. Private ships would find it profitable to bring home teas. The temptation to smuggle an article, which bears ninety-six *per cent.* duty *ad valorem*, is too great to be resisted, in the first instance, from the mere apprehension of remote detection and punishment. It is an evil which can only be resisted, *in limine*, by some such system of restriction as that which at present exists. And hence, it may be pronounced, without reserve, that to lay open the East India Trade to private ships would be, in other words, to lay the foundation of an illicit commerce, more extensive, and more injurious in its consequences, than any that has ever existed in the world.

Even were the ships of individuals prohibited from visiting the Molucca Islands, which however His Majesty's Ministers have shewn some reluctance to accord, encouragement would still arise to the exportation of teas and other commodities from China, to answer the demand occasioned by these ships. These commodities would find their way to some central ports in the Indian Seas, which would in such case become large depôts; and thus, from the inordinate profits which would attend each successful voyage, an immense and a regular system of clandestine Trade, would spontaneously spring up. It would not be in human ingenuity to prevent it. Neutral and hostile nations would think it their in-

terest to protect and encourage such a traffic: and this very circumstance might lay the foundation of new wars.

Whenever peace shall take place between this country and France (and war cannot be eternal), the evils arising from this source may naturally be expected to increase. It would be unreasonable to suppose that, at whatever period that event may happen, we shall be in a situation entirely to dictate the conditions of the peace, or that the enemy will not aspire to the restoration of his Asiatic possessions, at least the islands which we have recently captured, as equivalents for other objects, which he may be disposed to relinquish. In the event, then, of our being obliged to restore the Islands of Mauritius and Bourbon, would they not form very convenient depôts for Clandestine Trade? And, is it not highly probable that, with this very view, they would be declared free ports? Madagascar, Manilla, and other places not within British jurisdiction, would also naturally become the resorts of such a commerce. We could not, if at peace with these nations, prevent French, American, Spanish, or Portuguese ships from bringing teas from China, for the purpose of lodging them at these depôts; nor the ships of our own private merchants from touching at such ports, in order to purchase those teas with the view of smuggling them into Great Britain, or some intermediate ports.

Upon the return home of those private ships the Azores, the Western Islands, the Madeiras, would afford convenient stations for carrying on this traffic to any degree: every part of the coasts of England, Ireland, Scotland, and Wales, would offer similar facilities: and, in the event of importation from India being extended to the out-ports, as *now* proposed, the most extensive and systematic smuggling could not be obviated by all the efforts of the legions of Custom-House Officers, supposing these persons to do their duty, whom the government might think fit to appoint.

Were importation even confined to the port of London, as *at first* proposed by Ministers, the coasts of Cornwall and France, the Islands of Jersey and Guernsey, would present to adventurers abundant opportunities of successfully carrying on an illicit Trade, on a very large scale.

But independently of these numerous facilities, so fertile in expedients is the genius of Trade, that places of rendezvous might, and no doubt would, be appointed, in different latitudes and longitudes, at which smaller vessels would be directed to wait for those of a larger size, in order to take charge of the clandestine part of their cargoes, to be conveyed to places where it could be disposed of with advantage, promptitude, and safety.

If, in the course of such voyages, these private ships should be occasionally captured, their clandestine trade seized, or their regular cargoes confiscated,

the mischiefs to the East India Company and to the revenue, would not thereby be in the smallest degree diminished. It would only be a transfer of property from the hands of the private trader to those of the crews of our men of war, or of the Custom-House officer. In proportion to the extent to which this clandestine trade might be carried on, whether the adventurers in it should be gainers or losers, would the profits of the Company and the revenues of the Crown be diminished?

With respect even to the fair private Trade, although it would not so much affect the revenue (it would, however, in no inconsiderable degree increase the expences of collecting it), the struggle which would take place, could not fail to prove injurious to the Company, although, in their corporate capacity, which has been given to them in perpetuity, they would of course surmount the competition of all individual rivals. In this rivalry, every honest private competitor would undoubtedly be ruined. But we shall suppose, for the sake of the argument, that the individual Merchants carrying on a fair private Trade to India, should prevail over the Company, what difference could it make to the Public, whether the Company or their private rivals, were the first to be ruined? One thing is quite certain, that it is the illicit Trader alone who would benefit by the change. And if the measure of admitting private ships, of all sizes, and from all ports, to trade to India, in defiance of all these

dangers, is to be carried into effect, I am of opinion, that the Bill by which it is to be enacted, ought to be denominated “an act for establishing, protecting, and extending illicit commerce between India and Britain.”

It is well known, that enough of tea for the consumption of the whole United Kingdom has always been supplied, in an unadulterated state, and at reasonable prices, by the East India Company; and that from this source has arisen their principal commercial profits.* Let us now enquire what would be the effects upon these profits of admitting private ships to the Trade of India. An increased demand for tea, and a consequent rise in the price of that article, would immediately take place in China; while the competition of illicit Traders, by producing a superabundant supply, would occasion a fall in the price of the same commodity at home. Thus the profits of the Company would be unfavourably affected, by a double operation. The revenue, depending upon this source, it is obvious, would be almost wholly annihilated. And what would the consumer benefit by the change? While the abatement, which it would occasion, on the retail prices, could not be sensibly felt, even by the poorest persons in society, the sophistication, which would

* Twenty-five millions of pounds of various kinds of tea is the average quantity sold at the Company's sales in the year.

in consequence take place, of an article become a necessary of life throughout the British dominions, would diminish the comforts, and might injure the health, of almost every member of the community. And thus, from a measure pregnant with danger to so many various interests, it cannot be said that a single incidental benefit is promised to the public.

The Company, crippled as they would then be, could no longer afford to export to China, as they have been accustomed to do, at an immense loss, to the annual amount of a million sterling of the metals and woollens of Great Britain. And thus, some of our best staple commodities, contrary to the fallacious expectations entertained by many of those who deal in them, would, instead of experiencing an increase, suffer, from the measure proposed, an immediate diminution of sale.

So assured, indeed, were the Proprietors of the Cornwall Mines, of the loss that would arise on the sale of their products in China, if exported on their own accounts, (and the same apprehensions would, of course, be entertained by private Merchants) that they thought proper to decline the liberal offer of the Company, to convey annually twelve hundred tons of their metals to that country, freight free.

The annual sacrifices thus made by the Company at the shrine of the public, particularly in respect to woollens and metals, they were enabled to bear, both by the profits of their homeward

cargoes, and by the mutual support which their territorial revenue, and commerce, afforded to each other. From their mixed character of Sovereigns and Merchants, they were enabled to effect, what it is utterly impossible that individuals, in their mere commercial capacity, should have the power to accomplish.

From all these considerations, it follows, that the plan of granting liberty to Private Ships to trade to India, even if they should be excluded from the Eastern Archipelago, is a certain, although an indirect, mode of depriving the East India Company of all the benefits of the China Trade; and may, eventually, deprive the inhabitants of these Kingdoms of one of the most essential necessities of life;—an article, which scarcely an individual from the throne to the cottage can now dispense with, and which chiefly administers to the subsistence of the very poorest classes of society.

If the Moluccas, indeed, were to be included in the tracts, which Private Ships are to be permitted to navigate, the ruin of the Company's China Trade would be considerably more direct and rapid; and the danger of the deprivation of Tea to the inhabitants of these Kingdoms much more imminent. These Islands, as stated by the Deputation of the Court of Directors, “would hold out irresistible temptations to lawless European Settlement, enterprise, and adventure, before which the Company's China Trade must sink, as this maritime resort

would certainly become the very focus of dangerous and illicit intercourse with the Continent of India."

As this private trade would of course be carried on by a species of adventurers, who would not be much disposed to restrict themselves either to legal, or moral means, in order to render their voyages profitable, they would not, if it should appear to them to be conducive to that end to proceed into the China Seas, think it necessary to pay a very scrupulous regard to the limits that might be assigned to their destination by the New Charter. In this manner, an indefinite number of unconnected Europeans, with views of the most irregular kind, would find their way to the borders of the Chinese territories. We know how suspicious that government has always been of strangers; how indifferent, in general to foreign intercourse; that they even banished the Europeans, at one period, to Macao; and that it is only by the great influence of the East India Company, and the regular conduct of their Servants, that their Ships are allowed to visit Canton, and their Supercargoes to reside there, during one part of the year.

What, then, would be the consequence of that sort of intercourse, which might be expected to take place, between the natives of China and Europeans of the description I have just mentioned, after the regular Ships, and the accredited Authorities, should leave Canton? Nothing but disorder; and the ultimate exclusion of all Europeans from

China! An event, that would involve in its consequences, four millions of revenue!—a million of export!—the employment of a large fleet of most excellent Ships, each of warlike equipment!—the ruin of private Speculators!—the palsy of the functions of the Company!—and, the deprivation of an article, which has now become to all ranks of British subjects, a necessary of life!

The Commercial intercourse between China and Russia, by land, it is well known, has, upon similar grounds, been frequently interrupted. This happened in 1785; and the communication was not re-opened till 1792, being a period of seven years.* This measure has always originated with the Chinese Government, by whom the orders for shutting and re-opening the communication, between the two countries, have usually been issued several months before they have been made known to its subjects by the Government of Russia.†

* This has been represented by some as a period of war between Russia and China. But we have never heard of battles between Russian and Chinese Armies. And it appears most reasonable to believe, that commercial irregularities were the sole ground of the interruption of intercourse, which took place, at this period, between the two nations.

† *Vide Affidavits of Joseph Fawell, in a pamphlet entitled, "The Right of every British Merchant to trade within the Geographical limits defined by the Charter of the East India Company, vindicated, &c."* By T. Lee—p. 71—73.

We come now to consider the effects, which this measure would have upon the revenue. It has been already stated that the loss to the public revenue of this country, in the event of opening the trade to India to private Ships, would be in the direct ratio of the illicit Trade, which, under colour of this Commerce, might be carried on. The quantity of Tea at present imported being quite sufficient for the consumption of the inhabitants of these kingdoms, it must be obvious, that an additional importation would not necessarily be accompanied by an additional consumption. But the increased supply, from illicit Trade, would occasion a diminution of the quantities sold at the Company's sales, and of the prices; and thus, in two ways, effect a diminution of the revenue. It can scarcely be necessary to observe, that the expence of maintaining the legions of Custom-House Officers, whom it would be

The author of this Pamphlet thinks it would be quite expedient and just, to deprive the East India Company of the exclusive privilege of the trade to China, on the ground of some misconduct which he alleges against *their Agents* in that country.

Another writer, on the same side, after having roundly pronounced the *present* Company incapable (from their long experience I presume), very gravely assures us that a *new* Company (without any experience) would be much better qualified to conduct this trade!! And he proposes that this *inspired* Company should pay one million a year to government!!! So much for the opponents of the Company.

deemed expedient, under the system proposed, to appoint to the out-ports, would operate a farther diminution of the revenue; and that it could not fail to be otherwise very obnoxious to those, who are of opinion that the increase of all such appointments, by unduly augmenting the influence of the executive power, must trench upon the principles of the constitution.

But even at the price of this additional odium and expence, it would be so impracticable to prevent, or even to oppose a barrier to smuggling, if ships were permitted to unload at the out-ports, that it would almost of necessity become the principal occupation of the individual adventurers, who might engage in the East India Trade. The fair individual trader could not long successfully compete with the Company, who would of course continue their commercial operations, in their corporate capacity, as long as they were not an entire loss, or until, by the irregularity of the interlopers, the communication with China should be entirely stopped. One of the inevitable effects of the competition between the Company and the fair private trader, operating in conjunction with the high duties upon Tea, would be to render smuggling, with all its risks, by far the most gaining trade; and, “in fact, however covered or disguised, it would become the *principal object*.”

Under the system in question, then, even in the limited shape originally proposed, it may very fairly

be maintained, that all the regulations which, the utmost extent of human ingenuity could devise, would not be sufficient to prevent smuggling, as it would be the most lucrative, from becoming the principal object of those, who should embark in the East India Trade. And there can be still less doubt that the evil would be farther aggravated, in as far as it is capable of aggravation, by the ulterior projects of allowing access to Private Ships to the Molucca Islands, and entrance into the out-ports of these Kingdoms ; but more especially by the admission into the trade of vessels of inferior burthen.

Such vessels could, in India, go into minor ports, and more easily form connection with the natives ; and their intercourse, and consequent irregularities, would be such as neither the vigilance or power of the Indian Governments, would be able to discover or controul. On their return, they could enter the small ports of England, Scotland, and Ireland, and easily elude the vigilance, or purchase the connivance of the Custom-House Officers.

'That his Majesty's Ministers should not have felt the force, and admitted the validity of the irrefutable arguments adduced by the Deputation of the Court of Directors, against admitting vessels of this description to a participation in the India Trade, is to me extraordinary, and almost unaccountable. On this subject, the deputation express themselves in the fol-

lowing terms :---“ In short, if a mere chance *outward*, for the sake of smuggling *homeward*, was the speculation and the object of adventurers, undoubtedly small Ships would best answer their purpose; but if an honourable commercial intercourse with India was the object of Government, it could only be maintained by Ships of a respectable size, and suitable equipment as to stores and force, under the conduct of able and *responsible* commanders and crews.”

That the size of the ships, and the respectability of their equipments, are of importance, in a political, as well as in a commercial view, is evinced by the different degrees of respect paid to the Company's regular ships, and to those of the American traders, in the Eastern Seas. The large ships of the Company, equipped and disciplined as they are, and navigated by gentlemen of education, rank in society, and nautical skill, command respect, and insure obedience, from the natives of India. But should a rabble of vessels, of all sizes and denominations, be admitted to the Indian Seas, it requires not the gift of prophecy to foretell that, with much immediate mischief to the Company, and almost the annihilation of the revenue arising from the regular trade, their course will be marked with irregularities and crimes, that will bring indelible disgrace on the British character and name in the East, and lead eventually to the

interruption of all intercourse with the Chinese Empire.*

But farther, the whole of this measure appears to me to be a departure, on the part of Ministers, from their implied agreement with the East India Company, which professed to found the renewal of their Charter, on the principles of the Acts of 1784 and 1793. It is also, in its two ulterior ramifications, a complete deviation from the principles upon which the negociation between Lord Melville and the East India Company, had begun and proceeded. It is even directly repugnant and contradictory to his Lordship's consent to the sixth proposition of the Court of Directors, namely, that "the whole of the Indian Trade should be brought to the *Port of London*, and the goods sold at the Company's sales."

This mode of proceeding, would seem to convey no very unequivocal intimation that the East India Company are not considered as possessing any rights, beyond what may suit the views of expediency of his Majesty's Ministers, for the time being, to permit them to retain; although I do not imagine that such a proposition will be asserted by them in terms. Of this, more hereafter.

* Since the above was written, this point appears to have been abandoned by his Majesty's Ministers.—*Vide Papers respecting the negociation for a renewal of the East India Company's Exclusive Privileges*, p. 170.

But even if the East India Company were deemed to possess no positive rights, the evils which the Court of Directors have shewn, by a series of the most enlightened reasoning, founded upon their long experience, and an intimate knowledge of facts, must result to the Company, to the revenue, and to the Empire, from the meditated change, ought, in my opinion, to be sufficient to induce Ministers to pause, and reconsider their determination. It behoves them to reflect, that, unless they can call into their service a degree of ingenuity that is altogether supernatural,---by which the prevention of colonization, and of smuggling, can be rendered compatible with permission to Private Ships, of all sorts and sizes, to trade to India, and to enter the out-ports of these Kingdoms,---they will subject themselves to the imputation of making a rash and ill-considered experiment, of yielding to a senseless and unfounded clamour, and of courting a hollow popularity. If, besides, it should appear that the East India Company are actually possessed of positive rights, it would be to incur a dreadful responsibility, to introduce innovations, *prima facie* no less injurious and unjust towards that great body, than in their immediate and obvious consequences, palpably pregnant with calamity to the whole Empire.

It is difficult not to be persuaded that, in this matter, Ministers, as they cannot be supposed to have meditated the ruin of the East India Company

by a side wind, have not acted from conviction; but that they have allowed their better judgments to be borne down by the clamours of certain petitioners, who know not the consequences of what they are demanding, or that they have timidly yielded to a presumed necessity arising from the pressure of the times. This, however, is matter of little consequence; for we are not enquiring into motives, but effects. The laying open the trade to India to the out-ports, has been aptly denominated a question of existence with the East India Company. But it is also calculated to affect no less vitally that portion of the public revenue, which depends upon the regular India Trade: and, in its ultimate consequences, even the integrity and safety of the British empire. On this question, his Majesty's Ministers have shewn much inconsistency. They expressly declare their conviction, "that the great interests of *policy* and of *revenue*, as well as of the *East India Company*," require, "that the *existing restraints* respecting the intercourse with China should continue; and that the exclusive Trade in *Tea* should be preserved to the Company." Yet the direct, and almost immediate effect of the measure, which they *now* propose, would be, according to the best judgment of those who have most knowledge of the subject, to destroy every vestige of those exclusive privileges, which they thus admit to be necessary to the policy of the Empire at large!

It has already been fully demonstrated, in the celebrated Letter of Messrs. Grant and Parry, and in the subsequent correspondence of the Court of Directors with the Board of Controul, and is indeed universally acknowledged by those who are acquainted with the subject in all its bearings, that the continuance of an exclusive trade to China, or even of intercourse with that country, is altogether incompatible with the admission of private ships to the trade of India, especially if their burthen should be discretionary, if they should have access there to the Molucca Islands, and to the out-ports of these Kingdoms upon their return.

It is in fact the opinion of many, that should this measure, with its various ramifications, be persisted in by Ministers, it would be utterly impossible that the Company should go on for any length of time: and that it would be much more advisable now to begin to wind up their concern, than be obliged to do so a few years hence, under still more unfavourable circumstances, and with more impoverished means.

It has been shewn, that the immediate consequences of the competition, which would arise, not so much from the fair as from the clandestine trader, under colour of this commerce, would be, an abridgment of the Company's sales, and a sinking of their finances. Events which would soon be followed by the necessity of relinquishing their great establishments; of laying up their vast fleets, now the means of transporting troops and stores, as well as of de-

fending their commerce; and of abandoning their buildings, wharfs, warehouses, and other articles of dead stock, formed at a prodigious expence, and suited only to the Indian Trade, which had so long been their's, all of which would, in such case, become useless and deserted! With the decline of the Company, would be thrown out of activity and employ, twenty-one millions of capital, 1400 commanders and officers, 8000 seamen, 12000 tradesmen, 3000 labourers, and seventy-eight of the finest ships in the world, many of them fit to take their station in line of battle with the British Navy!

The practice of using the *port of London* only, for the East India Trade, which has existed since the first institution of the Company, has been productive of advantages too numerous and too well defined to admit of being relinquished upon the mere presumption of uncertain or remote benefits. The custom of selling their imports, at stated periods, by public auction, has been nearly coeval with the Company. These sales are open, honourable and satisfactory; and are resorted to, with confidence, by the Merchants of the Continent of Europe, as well as by those of Great Britain. So high indeed is the character of the Company with foreign merchants, that purchases have been made by them “on the faith merely of the descriptive marks; and goods (thus marked), on their arrival on the Continent, frequently pass through various hands, before they are finally unpacked.” The in-

juries and frauds, to which an alteration in this mode, consecrated by the practice of centuries, would necessarily give rise, may be readily conceived.

For the security of the revenue arising from the Trade to India, as has been well observed by the Deputation of the Court of Directors, “nothing so effectual could be devised as to bring the *imports* to *one place*; to have them lodged under the keys of the Government Officers; to have them sold publicly in the presence of those officers; and finally to have the duties (upwards of four millions *per annum*);* thus carefully ascertained, collected through the medium of the Company, and with *hardly any charge* to government! In short,” say they, “the present system affords the most complete provision that can be imagined against defect, fraud, or expence, in realizing this branch of the revenue to the Public.”

Although we may not be able to say to what precise degree the measure of laying open the Trade to India to private ships, might, in its least noxious operation, immediately affect this branch of the public revenue; there can be no doubt that, by the partial fulfilment of the evils apprehended, it would be considerably injured, and by their total fulfilment destroyed.

* £4,213,425, according to the returns of last year.

It cannot, independently of these considerations, be supposed to make any difference to the East India Company, whether the Trade to India be carried on exclusively from the port of London, or from that of Bristol, Liverpool, or Glasgow; or indiscriminately from all the ports of the United Kingdom. But, since the dangers to be apprehended from the innovations proposed, are as obvious and as well founded as they are great and alarming, it is a duty which that body owe to themselves and to the nation not to submit to them without a struggle.

Accordingly, it was with a spirit fully justified by the occasion, that Sir Hugh Inglis, the present Chairman of the Court of Directors, in a conference with Lord Buckinghamshire, declared it "as his opinion, that the Court of Directors, in the first instance, and the Court of Proprietors, when laid before them, would resist, by every means in their power, a measure so fatal to the vital interests of the Company and to the public revenue as would be the measure of allowing the ships of individuals to import into any place but the *port of London*;" adding, that "situated as he was, he should consider it his duty to resist, and to recommend to the Court of Directors, and ultimately to the Proprietors, to resist the proposition."

And this overwhelming ruin, it seems, is to be brought upon the East India Company, and those connected with them, not only without the offer, but without the smallest chance or prospect of indemni-

fication. Nay, after they should have suffered themselves, as a matter of right, to be tamely despoiled of their commercial, they might prepare to surrender their territorial privileges at discretion. Into the nature of their rights to both, and to consequent indemnity upon the deprivation of either, I shall take occasion more fully to inquire.

And for what beneficial purpose, for what grand object, is this sum of ruin, or even the risk of it, to be incurred? In order (supposing the best, and that the communication with China should not be interrupted), to transfer the *same* quantity of oriental commerce from London to the out-ports, and from the East India Company to private Merchants! These are the sole objects for which such mighty innovations are now to be attempted; for which a concern that has subsisted for ages, and so succeeded as to be the wonder and envy of the world, is to be subverted and destroyed: and that too on the instigation, or hypothetical reasoning of persons, who erroneously expect, to procure to themselves extraordinary advantages, from a participation in the Trade of which they would deprive the Company.

The only result of any importance to the Public, which we are promised from this innovation, is altogether visionary and fallacious. It is well known to those who are acquainted with India, that the Trade, in European commodities, to that country, is wholly, or almost wholly incapable of being ex-

tended. The reverse of this proposition, which is the very first point to be adjusted in this controversy, has been invariably taken for granted, instead of being deliberately examined and decided: and upon this flimsy foundation has been raised the flimsy superstructure of the advocates of what has been called the "Open Trade."

The manufactures of Great Britain, which are annually exported to India, are almost exclusively consumed by the Europeans resident in that country: and until these become much more numerous than they are at present, which can only happen in consequence of colonization, the demand for such articles cannot be extended, but in a very inconsiderable degree. This incapability of extension, which depends upon the peculiar, and almost unchangeable character of the natives of Asia, is a fact too notorious to admit of being denied, or explained away by the abstract reasonings of political economists. To the state of India, at least, their principles cannot for ages apply. This has been set forth, in a clear, satisfactory, and convincing manner, by Messrs. Grant and Parry, in their Letter of April 1809, and in the correspondence of the successive Chairmen of the Court of Directors, since that period, with the President of the Board of Controul, on the subject of the renewal of the Company's Charter. Referring the reader, who wishes to be fully acquainted with the details, to those very able

documents, I shall content myself here with stating a few simple but strong facts, which, in my humble apprehension, it is impossible to reconcile to a contrary conclusion.

Of the three thousand tons *per annum*, which the Company are bound, by the act of 1793, to retain for the accommodation of private traders, not above 1200 tons annually, on an average of eighteen years, have been claimed, or little more than one third: and of this 1200 tons, 430, or more than one third, were wine and beer, which articles are consumed by Europeans almost exclusively.

Had there been a demand for any greater quantity of goods than is annually exported by the Company, by the commanders and officers of their ships, and by the private traders admitted under the act of 1793, amounting in all to about two millions sterling, the remainder of the tonnage allowed to private traders by that act would surely have been claimed. This, by the genius of commerce, I hold to be conclusive evidence.

That this tonnage was not claimed, then, shews demonstratively that there has not been, since 1793, an increasing demand, to any extent, for the European articles of consumption, used either by the European or native inhabitants of India. Those consumed by the natives, it is well known, are few and inconsiderable. With such, however, as they have occasion for, they are abundantly supplied by the

agency of private traders, resident in the East, whose industry embraces all the ports, to which the commerce of the Company does not extend. This, when carried on by sea, is called the country, or coasting trade. But it also extends its ramifications by land, to the most minute portions of the interior of Asia. And the knowledge and experience of those concerned in it would surely leave nothing of any great value for rivals, fresh from Europe, to explore.

It has been a grievous accusation against the East India Company, that they have neglected to cultivate the trade to several parts within their limits, and prevented the export of our manufactures to "some of the largest and richest regions of the world," where, say the complainants, "there is reason to believe the private merchant might, in the course of an open trade, increase his profits *twenty-fold and upwards*." The parts here more especially alluded to, are the Eastern coasts of Africa, the coasts of the Gulfs of Arabia and Persia, and the shores of the Red Sea. But, besides the proofs arising from the recorded efforts of the Company, even in early times, to extend the sale of British manufactures in those quarters, a sufficient refutation of this charge is to be found in its absurdity. Were it even possible to believe that the East India Company would have been so blind to their interests, as to have neglected a commerce, which would have

increased their profits “twenty-fold or upwards,” it could never be credited that the same indifference to their worldly concerns would have affected the individual traders of the East, unless it be also believed that the climate of India possesses the quality of lessening, or destroying the ordinary cupidity of man. Of late times at least, these traders have existed in sufficient numbers to pervade every nook and corner of Asia: and it is not very probable that all of them would have overlooked so favourable an opportunity of speedily making their fortunes. It is notorious that all the attempts, which have been made, to extend the sale of European commodities in India, formerly by the Dutch and Portuguese, at all times by the East India Company, and latterly by American private traders, have failed. Where the efforts of the merchants of those several nations, both in a corporate and individual capacity, and possessing the benefit of great experience, have so long and so uniformly failed, by what species of magic is it that British individual traders, without experience, can now be expected to establish a lucrative trade?

The Americans, who eagerly explored every avenue to trade in India, were only able, in the six most flourishing years of their commerce, to export to that country £667,634 in merchandize and manufactures, including those of their own country; while, in bullion, they exported during the same

period £4,543,662.* As the profits upon goods, had there been a demand for them, would have been much greater than on bullion, that the quantity of bullion was seven-eighths, and of goods only one-eighth of their whole exports to India, affords an incontrovertible inference that for the latter they found little or no demand. The reason is quite obvious. The consumption of European commodities is almost exclusively confined to European residents. The Company export annually upwards of a million sterling of goods and stores, the commanders and officers of their ships nearly half a million more, and the private traders, admitted by the act of 1793, about £400,000. This supply, amounting to about two millions annually, appears to be adequate to the demand of all the Europeans in India; and the market is even frequently over-stocked. At the present rate of the increase of European inhabitants, this commerce can admit but of a very inconsiderable and a very slow extension; a shackle not to be removed but by a worse evil, the admission of European colonization in India.

It has been already shewn that the almost unchangeable character of the natives forms a lasting, if not an insuperable, bar to any considerable or rapid extension of the sale of European manufactures

* Vide Papers respecting the Negociation for the renewal of the East India Company's exclusive Privileges, p.

among them. Consequently it cannot be matter of surprize that the experiment of sending unusual quantities of European goods to India, as if the demand could be increased in proportion to the supply, should have failed, as often as it has been tried; always bringing along with it the ruin of the adventurers.

This experiment was made as far back as the time of Cromwell. Individual speculators, and associations of merchants, as Courten's Association, the Assada merchants, and the Merchant Adventurers, traded to India, at that period, under licences or commissions from the Protector.* The progress and the fate of these speculations were uniform. They injured the East India Company, by raising the price, and creating a scarcity of goods in India, as well as by importing a superabundance, and lowering the value of them at home. The competition also occasioned a glut of European goods, and consequently a loss upon them in the Indian market. And accordingly these adventurers were all either ruined by their speculations, or, in order to avoid ruin, forced to seek an union with the East India Company.†

In the same manner was terminated the career

* *Vide Bruce's Annals of the Honourable East India Company, Vol. I. pp. 435 and 508.*

† *Ibid. Vol. I. p. 572.*

of other bodies of men, who subsequently entered into competition with the East India Company. From the time of Queen Elizabeth to the end of the seventeenth century, the commercial rights of this body were, at various other periods, as well as in the time of Cromwell, violated in the most scandalous and illegal manner. They were opposed by licenses from the Crown to private traders, contrary to the Charters and Privileges, which the Crown itself had granted; and those private traders, in sharing all the benefits of the commerce, were exempt from every charge or expenditure for establishments at home and abroad. By a still more outrageous violation of their rights, several years before the expiration of their Charter, a new Company was established, towards the end of the seventeenth century, under the denomination of “the *English East India Company* ;” when the original Company, for the sake of distinction, assumed the title of “The *London East India Company* .” After a struggle of several years, which materially injured the original Company, and almost wholly ruined the new one, this, like all former rivals, was obliged to seek its safety in an union. And hence arose, in 1707-8, that splendid body which now exists, under the appellation of “The *United East India Company* .”

The history of the rivalship of these two Companies, before their union, and of the fate of some private speculators, who, under the constitution of

the new Company, had claimed a right of trading on their individual stock, both illustrates and confirms the fact, that competition in the East India Trade ever has been, and, while the character of the natives of India remains unaltered, must continue to be productive of loss to the adventurers, without being attended with a single essential benefit to the public.*

An experiment with similar, but more decisive results, was made in 1788-9, from Ostend, by persons, among others, who had been in the habits of dealing, as tradesmen, with the Commanders and Officers of the Company's Ships, and who might be supposed to have acquired a knowledge of the nature of the business in which they were embarking, at least considerably greater than can be possessed by the Merchants and Manufacturers, who have recently been petitioning the Legislature for permission to send Ships to India; or, in other words, for permission to ruin themselves, and to injure the East India Company. This trade was carried on under Imperial colours. And it must be in the recollection of every one, who was then in the Company's Sea Service, of every person who was resident at any of the Presidencies of India, and in general of all men of observation at that time connected with the East, in common with the

* For the history of this rivalry, see *Bruce's Annals of the Honourable East India Company, passim.*

suffering adventurers, what an extensive scene of ruin ensued. Many kinds of European Commodities were sold at from 50 to 75 *per cent.* discount; and even at that price but a very small quantity of what was imported could obtain a sale. The Commanders and Officers of the Company's Ships, and all others who were regularly engaged in the trade, were deeply injured by the competition of these interlopers; and most of themselves were irremediably ruined. I recollect hearing of one case, in which the product of the cargo was said not to be sufficient to pay the freight from Ostend; and the payment of it was successfully resisted in the Supreme Court of Judicature in Calcutta, on the ground of the transaction being illegal.

We have at this moment before our eyes an example of something similar in the fate of the commercial adventurers to Buenos Ayres, and other parts of South America. Although the impediments to the extension of sale for European Commodities, are not, in that country, either so complete or of so permanent a nature as in India, it is but too well known that most of the adventurers, who recently embarked in that trade, have been impoverished or ruined by the speculation; and that the manufactures of this country are now daily sold at auction at very reduced prices. Yet the expectations that were generally entertained of the immense benefits that would immediately be derived from the opening of so vast a field to commercial in-

tercourse, as the Continent of South America, have even been greater than those which were formed from an Open Trade to India. There is, however, this wide difference between the two cases, that, with respect to South America, there were no public interests to balance, no privileges to infringe, no rights to invade, no property to violate, before the private trader could have permission to ruin himself, if he pleased. Nay, there being no law to that effect, he could not be prevented from trading with South America, except by the constituted authorities of that country.

There are also other instances in point. At various periods, it has been deemed expedient to allow ships built in India to export cargoes of Rice, and other Commodities, to Britain. And the Commanders and Owners of these Ships being persons of experience, not choosing to invest cargoes here, upon which they would suffer an undoubted loss in India, have generally preferred returning in ballast.

In 1798, when Government, owing to the scarcity of grain which then prevailed, gave encouragement to private Merchants to send Ships to India for Rice, those who availed themselves of that liberty, were considerable losers by the adventure. And it afterwards cost Government a large sum of money to indemnify them.

Thus, by the uniform results of all the experiments which have been made, the impossibility of

giving any considerable extension to the trade to India, appears to be placed beyond a doubt. What then would be the consequences to the adventurers themselves, naturally to be expected from permitting an unlimited intercourse with that country, by private ships? One of the most immediate consequences would be that goods to the amount of perhaps twenty times more than there is a demand for, would be exported from Great Britain to India. Of this amount, nineteen-twentieths would remain on hand, to be returned to Europe at a double expence of freight and insurance, or to rot in the warehouses of India; while even the one-twentieth, for which there might be a demand, would, from the glut in the market, necessarily be sold greatly below prime cost. It must be, therefore, by singular caution and singular intelligence, or extreme good fortune, that any of the private adventurers, who might rashly embark in such a traffic, should escape being ruined. The Commanders and Officers of the Company's Ships, and consequently the tradesmen with whom they deal, would largely participate in the general calamity. Even the Company could not fail to suffer essential injury from so disastrous a competition. With respect to the Manufacturers, they would remain unpaid, to the extent of more than nineteen-twentieths of the goods sold, unless the adventurers could pay them out of their private fortunes. And all these evils would be unaccompanied, and uncompensated for, by any ul-

timinate increase in the quantity of British Manufactures consumed in, or exported to, India. On the contrary, in some instances the exports might be expected to diminish. The article of Tin, for instance, which the Company have usually exported at a loss from Cornwall, might be procured at Malacca, Banca, and other parts of India, at a cheaper rate, for the supply of the China market. And with respect to Woollens, what individual Merchants could, or would, like the Company, sacrifice £.50,000 annually, on this article alone, in order to encourage to the utmost the manufactures of the country? These are sacrifices, which, if the trade were laid open to private Ships, the Company could not be expected, even if they were able, to continue.

Supposing the intercourse with China, notwithstanding this measure, to remain uninterrupted, and the usual quantities of these articles to continue in demand, could the gentlemen of Cornwall and the manufacturers of Woollens, rationally expect from private adventurers equal liberality in prices, or punctuality in payments, as they have always experienced from the East India Company? Most certainly not: but, on the contrary, confusion, disappointment, and loss to all parties would inevitably ensue. Many years must elapse, and an extensive scene of ruin take place, before the trade, thus circumstanced, could find its level; i. e. before it could return to its original state. It is, therefore, obvious

that the distresses of the mercantile and manufacturing bodies, which it seemed in part to be the professed intention of this measure to relieve, would be thereby highly aggravated.

I shall here cite a few historical facts, which will aptly illustrate the pernicious consequences, on the markets both in India and Britain, which must flow from the unlimited intercourse of private Ships between the two countries. They will also incidentally shew the incapability, arising from the allotment of certain casts of the natives of India to particular occupations, of increasing the products of industry in that country, to correspond with any great or sudden increase of demand.

The Merchant Adventurers, who, in 1656-7, traded to India, under licenses or commissions, from Cromwell, in writing to their Commanders and Factors, on the low state of the markets for Indian produce in England, informs them “ that the number of disconnected interlopers, or private Merchants, had much increased; and that they had brought home great quantities of Indian Commodities, of *inferior* quality, particularly Cottons, Drugs, and Spices, which had *overstocked the market.*” *

They are also complained of in their turn by the Servants of the Company. For we are told, that

* *Vide Bruce's Annals of the East India Company.—Vol. I. p. 521.*

“ the interferences of the supercargoes and shipping of the Merchant Adventurers *had rendered the purchase of investments almost impracticable* : these private, but *now authorized* traders, had brought out large quantities of English Goods, and sold them *below prime cost*, and with the money, with which they had been entrusted, had given *high prices* for such Indian articles as they had collected.” * These are the complaints of the Company’s Servants at Surat.

From Fort St. George, they complain that the Merchant Adventurers had “ sold their European imports at *low rates*, and bought Indian Articles at *advanced prices*, which had rendered it impracticable to conform to the orders of the Court, to purchase an investment of the finest goods, that would yield a profit to the proprietors. The Ships of the Adventurers had touched, and made purchases at the ports of Negapatnam, Porto Novo, and Tranquebar, and, by exorbitant prices, had drained the country of goods ; which had reduced the Presidency to the necessity of purchasing such Coast Cloths, and such proportions of Pepper and Spices, as could be collected at Bantam, to make up a small investment for Europe.†

These extracts abundantly prove, that, under a competition of private speculators, the Indian mar-

* *Vide Bruce’s Annals of the East India Company, Vol. I. p. 523.*

† *Ibid. p. 525.*

kets were glutted with European Goods, which, it being impracticable to extend their consumption, were sold below prime cost, to the loss or ruin of the importer. That these private Merchants bought Indian Commodities at exorbitant prices, and drained the country of goods; shewing that a considerable increased demand for the Manufactures of India cannot be quickly supplied, but by a deterioration of their quality. And that, with these goods, they overstocked the European market. By each of these three operations, those adventurers must be presumed to have lost; and, by their competition, to have occasioned a loss to the East India Company, as well as, by their inability to discharge their obligations, to have injured the tradesmen, with whom they might have dealt on credit in this country.

Now, until the character of the inhabitants of India shall have undergone a considerable alteration, a similar competition must again produce similar results. Were the trade to India laid open to-morrow to private ships, the effects of that measure upon the markets, both at home and abroad, would necessarily be almost precisely such as have been described. To all who might be concerned in this traffic, it would be but a competition for priority of ruin; and without the consolation of a single incidental benefit arising from it to either country.

With respect to Great Britain, in a view of the balance of trade, I cannot help thinking that these

changes, in so far as their influence might go, could not but be unfavourable. The benefits to India would be but partial and trifling, as they would be limited to those particular tribes, who manufacture the fabrics in demand; and these advantages would be more than counterbalanced by incidental evils. The number of these manufacturers could not be increased on any emergency, and consequently their supply could not be augmented to the level of an unusual demand, but by the deterioration of their commodities. Colonization, or a change from other causes in the character of the natives, must make considerable progress, before we can expect to see the use of machinery introduced among them. Yet some of the petitioners for *the right of open trade*, at the last renewal of the Company's Charter, solicited that the natives of India *might not be allowed the use of machinery!* Such is human consistency.

The objections already urged against the admission of private ships to trade from Britain to India, will of course apply, with equal force, to the admission of private ships, built in India, and not in the Company's service, to trade from India to Britain. This interference would have precisely the effects upon the markets of both countries, which have been already described. Ships of this description would experience much difficulty in finding cargoes for Europe; and they would be obliged to return to India, with scarcely any other

article than specie, and ballast. It is true that in years of scarcity in this country, ships built in India have, by special permission and encouragement, been allowed to import rice to England. But, even under these unusual circumstances, they were suffered to unload at the port of London only ; they were all of a certain tonnage, and their cargoes were sold at the Company's regular sales ; by which means they were rendered, in a considerable degree, subject to the jurisdiction of the Company.

The fate of the adventurers, who might embark in this speculation, excepting in so far as they might be secured by the profits of a rice cargo in a period of great scarcity, would be similar to those, who might fit out private ships from Europe. As far as they might confine themselves to a fair trade, they would be losers both by the outward and homeward cargoes : and they could only to a certainty calculate on the amount of their freight.

Thus, without any public benefit either to India or Britain, the immediate and obvious consequences of the measure in question, would be a grievous injury, and injustice to the East India Company ; an enormous loss to the British revenue ; the ruin of every individual who might engage in a competition of fair trade ; an irresistible encouragement to smuggling ; and detriment to the consumer, by the certain deterioration of all the commodities of the East.

From this immense change, the illicit trader

alone would derive benefit. By the retail consumer, the fall in the price of the commodities of the East in Europe, and of the commodities of Europe in the East, although sufficient to ruin the wholesale importer, would scarcely be felt as an advantage. With respect to the commodities of India, the difference would be more than compensated by the deterioration to which every article would be subject, in India from the competition in the market, and in Europe, in passing through the hands of the clandestine trader, or in the progress of irregular sales. At present, the consumer has the certainty of procuring articles of unquestionable goodness, and at a price unquestionably fair, at the Company's public sales. How differently might he be served, if cast for his supply upon the cupidity, specious pretences, or chicane, of thousands of individual importers and dealers? With respect to tea especially, the revival of smuggling might be expected again to introduce, as formerly, a spurious, fraudulent, and deleterious article. From such a change, then, the consumer, or the public, in Great Britain, could not be in any degree benefited, but might be considerably incommoded.

With respect to European commodities, the diminution of their retail prices, which a competition would occasion in India, although attended by irreparable loss to the wholesale importer, could be no object to the wealthy European inhabitants of that country, who are their principal consumers.

Nor can the trifling diminution in the price of

tonnage, which might take place in consequence of admitting private ships into the trade, be an object worthy of consideration to the importer or consumer, were not the measure otherwise fraught with the dangers, which have been so fully set forth. This will appear from a comparison of the freight paid by the East India Company, with that which was formerly paid to private ships from Ostend.*

I shall not insist here on the facility, which would arise from the admission of private ships to the trade of India, of clandestinely supplying an enemy with salt-petre in time of war, or on the approach of war, both because it is too obvious to require elucidation, and because the temptations would be notoriously too great to admit of prevention.

From all that has been said, I trust it has been rendered evident, that the benefits which some mercantile and manufacturing bodies, in this country have promised to themselves, from the admission of private ships to the trade of India, is nothing but a mere delusion, and a delusion too of the most dangerous kind. If, however, it could, on the contrary, be shewn, that such a measure would be attended with the most unequivocal advantages to these bodies of men, with what colour of justice, or of decency, it may be asked, could the East India Company be on that account deprived, without a compensation, of that most essential portion of

* *Vide Bruce's Report of the Negotiation between the East India Company and the Public, &c. p. 63.*

their privileges, which has been shewn to be the safeguard of the remainder?

Upon the subject of the rights of the Company, much misapprehension, and some designed suppression of the truth appear to have taken place.

Some of the advocates for an Open Trade, have chosen to represent the expiration of the Company's exclusive privileges, as the termination of a lease, or the repassing of rights back from the East India Company to the Nation. This is, however, by no means a just analogy, or a fair representation. The privileges of commerce, and the right to territory in the East, were not originally *vested* in the Nation, and therefore could not, as a matter of course, be resumed by it. They are *acquired* by the wisdom, and the treasure of the Company; and by the valour of their armies. They were, consequently, not of the nature of a leasehold property, which, at the expiration of an appointed period, reverts to the owner, and may in justice be disposed of by him, for another term of years, to the highest bidder. The property of the Company is more of the nature of a freehold, which cannot in justice be taken away, but for the essential accommodation of the public, distinctly and unequivocally ascertained, and that by a regular process fixed, if not expressly by law, at least by the acknowledged principles of the laws of this Country. These laws require, that, when the owner of an estate is to be deprived of any part of his property, for the benefit and convenience of the public, as in making high roads and bridges,

he should be amply indemnified, and that by the verdict of a jury of his countrymen. Now this verdict must, in justice, be founded on what it may rationally be presumed the property would bring to the owner at a fair sale. This analogy, although correct as far as it goes, is however, by no means complete. For where can we find a jury capable of estimating, upon any ascertained or familiar principles, the value of the East India Company's territories, and of the trade which depends upon them? We may, indeed, form some faint idea of their value by supposing what would be bid for them by the crowned heads of Europe, if set up to public auction. The price offered, we may readily conceive, would be immense; and such would be the only just criterion of their true value.

But what indemnity has been offered to the Company for the exclusive privilege of trade, or rather of employing shipping, to India, of which it is now proposed to deprive them? Has it never, for a moment occurred to those Petitioners who are so anxious for participation in their trade, that its existence depends upon the territorial dominion and influence of the Company; that it has cost them immense sums to establish it on its present extensive and flourishing scale; or that it might not be unreasonable to offer them some small compensation for the privilege which they were required to relinquish? This privilege I hold to be their undoubted property, as much as their territories in India, or

their freeholds in Britain ; a property of which they cannot justly be deprived by any power or authority, without an adequate remuneration. But what can be an adequate remuneration, short of the whole value of their property, for that part of it, by the relinquishment of which it has been shewn that all their remaining privileges would be, not simply endangered, but certainly lost?

Were it, however, agreed that the East India Company should be in the first instance fully indemnified, for their territory, trade, and property of every denomination ; and were a jury appointed capable of estimating upon fair grounds, the value of that property ; it would next be necessary to consider from what sources the Crown, or his Majesty's Ministers, could draw the amount required for the purchase, having, moreover, first proved the utility to the public, of the intended transfer, before they could, in justice or propriety, propose that the Company should be deprived of their exclusive privileges.

It is, I believe, universally admitted, that the Company have a positive and absolute right to their Forts, Factories, Warehouses, Docks, Ships, and Stock of every denomination ; and that these were all acquired precisely in the same manner in which they acquired their Territory and Trade ; *i. e.* by labour, negociation, or purchase. Now, it would be a curious position to hold, and I should like to see the arguments, or to hear the authorities by

which it might be supported, that they have not an equal right, or that they have no right at all, to those different kinds of property.

With respect to the Sovereignty of India, which it has been asserted that the Crown has the right, without any public necessity, and without an equivalent, to *resume*, or more correctly, to *appropriate*, let me ask whether it was upon such a principle that the Duke of Athol was divested of the Sovereignty of the Isle of Man? No. A regular negociation took place, and he was paid £100,000 for it! And if the Sovereignty of the Isle of Man be estimated at £100,000, what may be the value of that of British India? These considerations might have merited some little attention.

That the Legislature have the power, without any public necessity, and even without remuneration, of depriving the East India Company of that part of their exclusive privileges, which has been shewn to be the bulwark and support of the remainder, as they are supreme, I do not question. But as they are just, I should be infinitely surprised, if a mere clamour, not even popular, but arising from the misguided selfishness of a few commercial and manufacturing bodies, could have the effect of inducing them, whatever may be the decision of his Majesty's Ministers, for a moment to entertain the notion that so dangerous, or rather so fatal a measure, can possibly be expedient.

While the evils which would inevitably result from the measure of laying open the Trade to India, in the manner proposed, are obvious to every one, the benefits, which would arise from it, are considered as doubtful by the best informed upon the subject, even of the very Ministers who have proposed it. That Lord Melville is against the measure of admitting the ships of private Merchants into the India Trade, appears sufficiently evident from the following paragraph of his Letter to the Chairs, dated the 20th of March, 1812:—"You will do me the *justice* to recollect, that in all our discussions on this subject, both recently and on former occasions, the admission of *the ships* of Merchants in this country into the trade of India, in concurrence with those of the Company, has never been urged as a measure from which much immediate benefit would, in my opinion, be derived, either to the *country*, or to the *individuals* who might embark in the speculation; and I certainly am not without *considerable apprehensions* that at least, on the first opening of the Trade, the Public expectation as to the British territories in India affording any considerable outlet for British manufactures, beyond the amount of our *present exports*, may be *disappointed*." This declaration, although expressed with the reserve of a statesman, distinctly manifests the opinion of that Minister who must be presumed to be the best acquainted with the affairs of India. And the removal of Lord Melville, shortly after the date of this

letter from the Board of Controul, as well as the extension of the permission to private ships to sail from and to the out-ports of this Kingdom, which had never till then been proposed, are no unequivocal proofs that, in respect to this extraordinary measure, he was overruled in the Cabinet; and that he did not find it consistent either with his own dignity, or with his implied engagements with the Court of Directors, any longer to remain in a situation in which he could neither support the one or fulfil the other.

His Majesty's Ministers must have been aware, that they could not, with safety to their situations, have proposed, in a direct manner, any essential change in the territorial government. To transfer it to the Crown, as has been sometimes talked of, or to vest it in Commissioners for life, as once proposed by Mr. Fox, would at this day be almost universally reprobated, as fraught with the most dangerous consequences to the Constitution of the country. Ministers have therefore deemed it most expedient, under the inadmissible conditions already stated, to propose to leave the territorial government of the Indian Empire, as at present, under the immediate management of the East India Company, through its executive organ, the Court of Directors. It would also be dangerous, they found, to disturb too openly the course of the China Trade: and this too, for that reason, they have proposed, apparently, to leave to the Company. It does not indeed appear,

that, independent of necessity, considerations of justice have been allowed any weight in favour of the claims of this great and powerful body. It seems rather to have been the determination, that the Company should be ruined, either indirectly, by the acceptance of conditions, which would eventually occasion the loss both of their trade and territories, or directly, by a rejection of them, which would supply Ministers with a pretext of transferring to the Crown the power and the patronage of India.

It could scarcely, I think, have been imagined, that the East India Company could have thought it a boon to be allowed to retain merely that portion of their privileges which it might suit the fluctuating expediency of his Majesty's Ministers to leave to them; or that they could receive with deference and submission, any conditions which they might be pleased to annex to their introducing into Parliament a proposition for the renewal of the Charter.

On the contrary, I am well persuaded there is not, at this moment, an individual Member of that Body who would not much rather relinquish at once the whole of their privileges to the Public,—stock, territory, buildings, shipping, and trade,—at a fair valuation, than to have their Charter renewed, for an additional period, in a mutilated and unsafe state. But it was not meant that a choice should be left them; and it is now intimated, not in very measured terms, that Ministers will not on any

other conditions than those they have already stated, propose to Parliament a renewal of their Charter.

It will then remain to be seen whether the Company have no means of introducing into Parliament a measure for the preservation of their rights and privileges than through the medium of his Majesty's present Ministers. If not, it must be admitted, that the affairs of the nation are to be regarded as henceforth entirely dependent upon the will and pleasure of the servants of the crown.

Much has been said, by the opponents of the Company, of the absurdity of Merchants being sovereigns; of their being plunged in debt and approaching towards ruin: and of the government of India being a solicism in politics,—an *imperium in imperio*.

For the truth of the remark, that their interests as Merchants have been not only perfectly compatible with their interests as sovereigns, but that these characters have respectively aided each other, we may adduce the high authority of the late Lord Melville, than whom no man of his time had a more complete knowledge of the affairs of India. “By the commercial capital of the Company at home,” says this able statesman, “acting in connection with the public revenues under their administration abroad, they have mutually aided and administered to the wants of each other; and the result has been, the fortunate achievement of those brilliant events, upon the success of which depended the *existence* of the

government, the territorial wealth, and the Trade of India."

During the whole period of the present Charter, the political has been invariably debtor to the commercial concern of the Company. But they have also mutually aided each other. As the territorial revenues have been frequently applied to purposes of commercial investment, so have the returns of commerce been rendered subservient to military and political operations.

With respect to the debt of the East India Company, when it is considered that their permanent debt in India and in Europe is only between 28 and 29 millions;* that the population of their territories is 60 millions; and the gross annual revenue 16 millions; it will appear comparatively small, and even insignificant. It is only at the rate of 10s. a head for each individual of the population, while that of Great Britain is at the rate of £60-a head; being as one to one hundred and twenty. The East India Company's affairs, then, so far from being in a state to create despondency, as has been so frequently and so erroneously asserted, may be said to be in a most flourishing condition. The actual state of their territories is such as to leave no apprehensions of expensive or permanent hostility with

* £28,614,174.

the native powers ; and Lord Minto, the present enlightened Governor-General, has recently conveyed to the Court of Directors assurances of his confident expectations, not only of bringing the expenditure within the income, but of realizing a large surplus revenue beyond the ordinary expences in time of peace. From all this, it appears most manifest, not only that the apprehensions of the insolvency of the Company, so often expressed in and out of Parliament, have been either wholly feigned, or have arisen from a total ignorance of their real situation ; but that, on the contrary, they are in a state not to be shaken, but by some great and unexpected convulsion, or by the adoption of some such destructive measure as that with which they are now threatened.

Since 1793, both the population and the revenues of the Company's territories have been almost trebled* and the duties on their Import Trade to Britain have augmented in at least a similar ratio.† Their annual exports from this country are now £2,320,000 ; their tonnage 101,797 tons. If this

* In 1793, the revenue of India, on an average of three years, amounted to £6,897,730.— Bruce's Report, &c. p. 47. It is now sixteen millions.

† In 1793, the Duties on the Company's Import Trade exceeded one million (Bruce, p. 46): it now exceeds four.

be impending ruin, it is of a nature of which it is not usual to complain.

As to the system of Indian government being an *imperium in imperio*, which must mean, if it means any thing, that it is incompatible with the constitution with the constitution of this country, I would ask, were any defence necessary, are not the British laws extended to the inhabitants of India, in as full a measure as their situation will allow? Are they not as well administered even as at home? And is not the condition of the natives of that country, who are under the dominion of the Company, as enviable as that of the inhabitants of any portion of the globe? I will add more so: and those persons would not be their friends, who might advise that the highest parts of the British constitution, should be prematurely extended to them.

I am not aware that any objections worthy of notice, to a renewal of the Company's exclusive privileges, for another term of years, have been left unanswered. I do not, however, think that, in the course of the discussions which have taken place on this subject, the Company's rights, and the injustice of violating those rights, without a palpable benefit to the public, and a full indemnification to themselves, have been always sufficiently insisted on. At no period of the monarchy, from the granting of their Charter by Queen Elizabeth, to the protectorate of Cromwell, nor even by that usurper, were

the Company's rights to their forts, factories, or privileges of trade, called into question.* Nor does it appear how, by the subsequent extension of territory and trade, which they effected, their rights to these possessions can be presumed to have, in any manner, diminished. This question has however, since that period, been carefully kept out of view; and the Company have been treated, at the different æras of the renewal of their charter, as a body, who had no rights or privileges, but such as His Majesty's Ministers, for the time being, might choose to leave to them, upon receiving a valuable consideration for the exigencies of the state. They have been treated as candidates for the renewal of a lease, having scarcely any superior claims to other bodies of men, who might bid equally high for the privilege of being constituted an East India Company. In this manner, contrary to all right and justice, was a second East India Company at one period formed, for the sake of a temporary accommodation in money to government; and the competition nearly proved the ruin of both. The violation of the Company's rights, by illegal licences to individuals, and associations, was also no unfrequent occurrence in their history. But the plan which is now meditated of depriving them of that privilege, by which alone

* Vide Bruce's Annals of the East India Company, Vol. I. p. 572.

they can deem their other privileges secure, I cannot but consider as a no less unjustifiable, and a much more dangerous violation of their rights, than any that has ever before been attempted.

As it is evinced by facts, so it is by the authority of eminent names, that the Government and Commerce of India are incapable of being separated, but at the imminent risk of destruction to both. Lord Melville, in his Letter to the Chairman and Deputy Chairman, of the 28th December, 1808, says:---“ I have not yet heard, or read any arguments against the continuance of the system under which the British possessions in India are governed, of sufficient weight to counterbalance the practical benefits which have been derived from it, in their increased and increasing prosperity, and the general security and happiness of their inhabitants.” On the same subject, the late Lord Melville, whose opinion on such matters is entitled to the highest deference, thus expresses himself, in a Letter of April 2, 1800:---“ I remain equally satisfied as to the propriety of continuing a monopoly of trade, (by this is meant as to *ships*; for as to *goods*, a monopoly did not exist) in the hands of the East India Company. Those who maintain the reverse, appear to me to be misled by general theories, without attending to the peculiar circumstances of the trade they are treating of. Viewing it even as a *mere commercial* question, I believe this proposition to be a sound one; and if the trade were

laid open, the supposed advantages thence arising are at best very problematical, and would certainly be very precarious and short-lived. *It is, however, totally to forget the question, to treat it as a mere commercial one! The same principles which prove the necessity of the monopoly of Trade. The Government and the Trade are interwoven together! And we have only to recur to a very recent experience, to learn the immense advantages which have flowed from that connection of Government and Trade."*

The Chairmen of the Court of Directors had, three years ago, pointed out to the President of the Board of Control, that the effects of the innovation proposed would "amount to the destruction of the Company's Indian trade, their Indian Commercial Establishments, their Indian Shipping, and finally leave the China Monopoly so insulated and unsupported, as to bring that down also, and with it the whole fabric of the Company."

But what have we on the other side to counterbalance those strong facts, those incontrovertible inferences, and those high Authorities? Nothing but the vague and hypothetical reasonings of men, who erroneously conceive that they would themselves be benefited by a participation in the trade to India, It is, then, earnestly to be hoped that Ministers, if such indeed be their motive, will not "persist in this ruinous submission to known com-

ination, and over-bearing importunity;" or at any rate, that the "wisdom of Parliament and the justice of the nation will reject those rash and violent innovations, evidently suggested from a deplorable ignorance of facts."

FINIS.

MacLean, Charles

A view of the consequences of laying open the trade to India to private ships with some remarks on the nature of the East India Company's rights to their territories, and the trade depending upon them ; and on the conduct and issue of the late negociation for a renewal of their exclusive

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